

**MINUTES OF THE
HANOVER BOROUGH COUNCIL WORKSHOP/
FINANCE & PERSONNEL COMMITTEE MEETING**

August 18, 2021

Chairperson Dr. Rupp called the Hanover Borough Council Workshop & Finance & Personnel Committee meeting to order Wednesday Evening, August 18, 2021 at 7:00 PM, as advertised, in the Hanover Borough Municipal Building, 44 Frederick Street, Hanover, PA, as advertised. Community Media was present to conduct a video and audio of the meeting via zoom presentation for all citizens to have access.

Dr. Rupp acknowledged that an executive session was held beginning at 6:15 PM prior to this evening's regular meeting to discuss the following items that Solicitor Shultis identified:

1. To discuss the potential sale of real property (Carroll County watershed lands). 708 (a) (3 and 5)
2. To consult with legal counsel and discuss information in connection with litigation in the matter of Tim McKercher, et al. v. Hanover Municipal Waterworks (before the PUC). 708 (a) (4 and 5)
3. To consult with legal counsel regarding terms and conditions of the license agreement relating to the former landfill property. 708 (a) (5)
4. To consult with legal counsel in connection with litigation and issues on which identifiable complaints may be filed. 708 (a) (4 and 5).

Attendance: On roll call, the following Council Members were present: Mrs. Funk, Mr. Hegberg, Mr. Kress, Mr. Lockard, Mr. Reichart, Mr. Roland and Dr. Rupp; Solicitor Shultis; Fire Chief Clouser, Manager Dunford, Secretary Felix, Planning & Engineering Director Mains, Police Chief Martin and Finance Director Miller; Library Director Hollich and Interim Library Director Moul were present as well.

PUBLIC COMMENT - None was presented.

CONSENT AGENDA

It was moved by Mr. Lockard, seconded by Mrs. Funk to forward the following items on the Consent Agenda to the August 25th Council Agenda for consideration:

- a. Minutes: Approval of Minutes July 21, 2021
- b. Finance Reports:
 - i. Approve Bills for Payment
 - ii. Accept Monthly Financial Statement

- iii. Accept Report of Monthly Investments
- c. SPCA of York County: Approve 2022 Municipality Agreement
- d. Special Event Permit Applications:
 - i. Shout of Victory Love and Unity: Wirt Park on 9/25/21 and 9/26/21
 - ii. Christmas in Hanover Events
 - iii. Stateline Canine Event: Good Field 9/25/21 & 9/26/21
 - iv. Main Street Second Saturday Event: 9/11/21
 - v. Main Street Sip & Stroll Event: 10/1/21

Motion carried.

PRESENTATIONS

Meet New Library Director, Shanna Hollich:

Dr. Rupp welcomed newly appointed Library Director Hollich.

Ms. Hollich stated she has been a professional librarian for over a decade; and described her prior professional career and accomplishments; she is very experienced and has received several awards.

She has been in her role for a week so far, and overall she is very impressed with the community pride in the library.

Her first priority will be to convene the Library Work Group. She is eager to continue to bring the library into the 21st Century, along with a thorough budgetary review, operational review and to make the most of all dollars. A thorough and long term strategic plan will be developed to bring the library into future.

Dr. Rupp thanked Library Director Hollich and welcomed her into her new position on behalf of Council, and thanked Interim Director Moul for all her dedicated work over the years.

Meet the Public Works Director, AJ Grimm:

Public Works Director Grimm summarized the many duties of the Public Works Department including road maintenance, street and traffic sign installations, traffic signal maintenance, snow removal, street markings, street light maintenance, street sweeping, curbside pickup of leaves and Christmas trees, refuse collection both commercial and residential, and the Hanover Area Transfer Station which receives Borough trash and trash from outside haulers from York and Adams Counties. In addition, the Public Works Department maintains all Borough properties including parks, rail trail and street

lighting, and the new herbicide spraying program for parks and along streets, which began in 2016. The Department sets up and tears down special events in the Borough; and installs and removes seasonal decorations. All Borough buildings are maintained by the Public Works Department including lighting, mechanicals, electrical and roof repair; along with 10 Borough parking lots including maintenance of parking meters. All street trees and trees on Borough properties are maintained, along with all fleet management, heavy machinery and welding at plants, and maintenance of the fueling station which requires DEP record keeping. The Department assists the Water and Sewer Departments with street work for utility projects. The Public Works Department is currently down 2 staff and will request for replacement of these 2 employees in the 2022 budget. Many projects are on the horizon, including an update of the trail program; DCNR comprehensive plan, grants for recreation, many facility updates, and maintenance of same. The main focus of the department is serving the residents of the Borough.

Dr. Rupp thanked Public Works Director Grimm for his presentation. Councilman Roland also complimented the Public Works Department on their efficient pick up of storm damage and many other services that go unnoticed.

"Handle with Care Program", Police Chief:

Police Chief Martin outlined a new program to assist and acknowledge those citizens with special needs often encountered in police operations. The York City Police Department reached out to Hanover's Police Department about this new concept which can be tracked through a record management system pointing out those in the community with special needs. The program will provide resources, for the Police Department and community with assistance in reacting in a time of crisis, with special needs citizens in mind. The program is based on research with Texas A & M. A grant was applied for through the Warehime Foundation, for implementation of the program, and was approved for \$51,000 per year for 2 years. Chief Martin sees the potential for continuance of the program after the grant period is finished if it proves to be a valuable resource. The program will be up and running in early 2022, and evaluated as it progresses.

The Community Action for Recovery and Diversion (CARD) Project was previously approved by Hanover Borough Council which is aimed at helping people that have already committed a criminal offense, to assist them in their recovery to deter them from future crime.

The Co-Responder Program is forthcoming for crisis help on police calls. A Wellspan employee would be embedded in the Police Department to respond to mental health calls with Police officers, and this program would be funded by Wellspan. One responder will be allocated for West Manheim Township, Penn Township and Hanover Borough. All

the Police Department will require for this programs would be workspace; vehicles will be provided from the County.

EMS Services/Hanover Area Fire Commission:

Fire Chief Clousher outlined a presentation regarding Emergency Medical Services which reflects a projected 2021 shortfall; projected future EMS costs & additional revenue needs.

Recruitment, rising operating costs and Medicare reimbursement shortfalls are reasons that EMS Services are suffering in general throughout the state, and overall call volume has also drastically decreased from 2018 to present - 2018 had 5,656 calls; 2020 had 4,512 calls, and calls projected for 2021 is only 4,184 calls. Medicare is 44% of total income for EMS. A unit cost analysis was done by the EMS Captain. Chief Clousher analyzed billing revenue trends 2018-2021, noting significant decreases in call volume, may also be attributed to UPMC providing their own EMS for the hospital. Some citizens have neglected using EMS, citing fears related to the pandemic.

The overall budget for the Hanover Area Fire & Rescue Commission revenue projection is \$1,430,000; the anticipated revenue shortfall is approximately \$378,900.

Chief Clousher is asking for \$35,973 from Hanover Borough and the same amount from Penn Township to manage the budgetary shortfall.

Future shortfalls can be avoided by a higher degree of accuracy in revenue projection, increase in municipal funding, municipal "Fire/EMS Tax" or other fees; increase in subscriptions for EMS services, or reduction of services. Many municipalities have implemented the 0.25 mill fire tax; or some have fees attached to utility services.

Chief Clousher discussed the implementation of more billable services for actual cost of fire/EMS services as a possible option. Chief Clousher will research in preparation for the 2022 budget, and future budgets.

A possible reduction in staff was discussed to lower costs, elimination of Advanced Life Support (ALS) truck; or outsourcing EMS to private service. EMS Captain Christensen has been analyzing data for cost of services.

Chief Clousher noted the Hospital has been having difficulty in staffing their EMS. He asked Council to approve the allocation of projected funding should they need it, \$35,973 is the anticipated ceiling number.

President Reichart suggested that the Commission along with the Township and the Borough need to decide what level of service that they want to provide; and address future funding needs. Subscriptions, fee based services, or taxes are options. Mr. Lockard supported the approximately \$25.00 fee per household to help fund the services.

Chairman Rupp thanked Chief Clouser and EMS Captain Claudia Christensen for their presentation.

If Council has any questions or concerns, please contact Chief Clouser and he will be glad to help.

FINANCE, PERSONNEL AND ADMINISTRATION

2021 Fire Commission Deficit:

It was moved by Mr. Reichart, seconded by Mr. Lockard to forward the Funding of the Fire Commission Deficit, estimated at \$35,973.00, contingent upon a parallel action by Penn Township, to the Council agenda for consideration. Motion carried.

Inter-Board Library Work Group:

Manager Dunford referred to the discussion in February for a proposed committee including Borough Council and Hanover Public Library Association. She outlined the new proposal/model: the purpose of the proposed Committee is to monitor building operations and budgeting. "Regional relations and governance" was removed from previous version. The Committee will consist of 5 members including 3 Hanover Borough Council members, one Board of Governors member and one member from the Hanover Public Library Association (HPLA), and an ex officio from York County Library System. The Committee would be active through the end of 2022. The proposed Council Members on the Committee would be Mr. Reichart, Mr. Kress & Mr. Hegberg.

Mr. Hegberg questioned the previous initiative to proceed with deed restriction removal through Orphans Court and the heirs issue. Solicitor Shultis stated Council needs to provide direction on this item.

After discussion, the Committee agreed to add the "regional relations and governance" back into the proposal, with possible addition of a consultant if necessary, and to extend the timeline until June 2022. The regional library is heavily supported by Borough taxes; a revenue Memorandum of Understanding or other option should be discussed for out of municipality users to pay for services. The Committee noted the lack of financial support from other municipalities. There was discussion on including citizens from Conewago Township and Penn Township to serve on Committee. There was general

consensus to move the proposed Library Work Group for consideration to the Council agenda.

Property Maintenance Codes Enforcement:

Manager Dunford explained that, unfortunately the newly hired temporary codes officer recently left his position; and DEP Director Mains contacted the PA Codes Alliance to provide the same service at 20 hours per week, for now with future review through the job classification study.

Mr. Mains noted increases in residential rental code complaints, and the ongoing need for a codes official.

It was moved by Mr. Reichart, seconded by Mr. Lockard to forward the approval for an interim contract with PA Municipal Codes Alliance for professional services to enforce Borough codes for the period August 1, 2021 through December 31, 2021, at an hourly cost up to \$50 per hour, for at least 20 hours per week for 22 weeks at an approximate cost of \$22,000, to the Council agenda for consideration. Motion carried.

Planning Commission:

Borough Secretary Felix asked for guidance on next steps in the appointment process for 2 expiring Planning Commission terms (4 year terms).

Scott Roland & Michael Kelly's terms expired July 31, 2021. Mr. Kelly has no interest in reappointment, but agreed to serve if there was a problem finding a replacement.

Planning Commission Chair Seibel was informed of Council's desire to ask for interested citizens to submit resumes, and the positions were advertised via Facebook and on the Borough website for interested citizens to submit letters of interest. Two resumes were received from Philip Baum & Jennifer K. Noon. Chairman Seibel would support Mr. Baum and the 2 incumbents.

Staff is asking for Council direction to fill the 2 vacant positions - if they would like to hold interviews or make a recommendation and ask for a vote on the Council agenda?

There was consensus among the Committee to proceed with an interview process at the August 25th Council meeting, inviting Chairman Seibel and a limitation to 5 minute interviews, followed by a motion to (re)appoint two members to the Planning Commission.

2022 Budget:

Finance Director Miller noted this month's budget discussion will be focused on the Enterprise Funds. There will be more focus in September on the General Fund and other departmental budgets.

The timetable and budget calendar were outlined for late November approval for advertisement with final adoption by December 31, 2021.

Council's 2022 budget directive to department heads included:

- No new positions created (as compared with the 2021 budget) unless Council approved
- No positions that were vacant for the entire period beginning January 1, 2021 were to be filled unless Council approved
- Maintain non-personnel operating budget line items at the 2021 budget spending levels
- Provide a separate capital budget plan to include only essential vehicle/heavy equipment needs for operations in 2022

The 2021 overall Enterprise Fund budget was \$18.8 Million total expenses budget; the proposed 2022 Enterprise Fund budget is projected at \$17.9 Million.

Finance Director Miller outlined the details of each fund, related staffing and various services provided for each fund budget, and discussed 2021 versus 2022 budget projections:

Enterprise Funds

- **Water – Largest Enterprise Fund**
Operating Revenue: \$9.1 million versus \$8.1 million in 2021
Operating Expenses: \$5.27 million versus \$5.60 million in 2021
Capital and Related Debt Expenses: \$5.52 million versus \$5.93 million in 2021
Future Outlook: Conservative estimate for outside-of-Borough rate increases expected to provide future investments of \$1.8 - \$2 million per year for water distribution mains, which is still well under the approximately \$3 million required annually to turn system over in its estimated life cycle (80-100 years)
- **Regional Wastewater** – *proposed to utilize carryover reserves to reduce based on policy levels*
Operating Revenue: \$2 million versus \$2.1 million in 2021
Operating Expenses: \$2.14 million versus \$2.08 million in 2021
Capital and Related Debt Expenses: \$222,000 versus \$292,500 in 2021
Future Outlook: No significant future investments to note in the current multi-year plan requiring General Obligation Debt financing.

- Sanitary Sewer – *due to significant new connection charges additional reserves will be generated until 2026 (from new developments).*
Operating Revenue: \$4.9 million – no change from 2021
Operating Expenses: \$2.37 million versus \$2.53 million in 2021
Capital and Related Debt Expenses: \$2.25 million versus \$2.32 million in 2021
Future Outlook: Significant revenue from new sewer connections within the Borough will continue through 2026, then revenues will be reduced by over \$150,000 per year; projections support no need to increase sewer rates for several years.
- Market House – *Market Houses leases stalls for various products, supported by one part time Market Master.*
Operating Revenues: \$50,000 versus \$41,000 from 2021
Operating Expenses: \$53,000 versus \$49,000 from 2021 – reflects minor increases in Public Works personnel and Finance staff support/no capital expenses and credits given to vendors during COVID 19 closure.
Future Outlook: This facility is part of the long-term capital plan.

Finance Director Miller noted the General Fund budgets will be presented at the September Workshop meeting. Further discussion in forthcoming meetings could include requests for personnel changes, reductions of new initiatives, studies or capital investment programs, etc., with budget approval for advertisement at the November Council meeting for adoption by December 31st.

Finance Director Miller asked Council to please email questions to the Borough Manager by September 3rd in order to facilitate responses in time for the September 15th Workshop meeting.

Draft Capital Budget – Finance Director Miller emailed and distributed paper copies of the draft capital budget for 2022 in advance of the general fund budget. Recap presentation will occur in September. The long term capital plan was first built in 2017 and major revisions have occurred since that time.

Public Works Director Grimm noted there are 4 items for action next month. Ford Motor Company is cutting some of the Government discounts, so it makes sense to lock in vehicle pricing this year. The budget includes 2 new police vehicles (which average high mileage) and 2 police cameras. This number will be all inclusive for all expenses for the vehicles.

Building and Facilities Grants – Spending in 2021 for reimbursement in 2022 – West Hanover St stormwater improvements and Good Field baseball field improvements.

Proposed Fleet and Equipment Purchases - Public Works Director Grimm outlined fleet and proposed equipment purchases - 2 trash trucks and a tractor trailer truck are 95% funded by DEP; replacement of 2009 loader; tandem axle dump truck with plow; skid

steer loader; F-250 4x4 truck; transfer trailer, and a Transfer Station Facility compactor (this item for approval this month).

Liquid Fuels - Thermoplastic line striping machine and trailer; road resurfacing and improvements (following Columbia Gas for cost sharing in road repair and paving costs).

Water Fund - Finance Director Miller noted there 5 Turbidimeters needed at the Filter Plant; 5 were replaced in 2021, since current ones are obsolete; Kitzmiller Dam construction repairs for DEP mandates; caretaker property gas furnace/AC unit; and Clear Lake intake study proposal.

Water Pipe Lining and Replacement (including labor) - Public Works Director Grimm noted a cargo van, dump truck with plow, a backhoe and towed air compressor are proposed for purchase.

Finance Director Miller noted the network server will be replaced at the Tanger Building.

Regional Wastewater: Finance Director Miller noted the following proposed expenses for buildings and facilities: Sandfilter Building - concrete floor, primary sludge pumps VFD upgrade, and SCADA Server.

Sanitary Sewer: Includes sewer pipe lining, portable mini-camera, and network server portion at Tanger Building.

Dr. Rupp thanked Finance Director Miller and Public Works Director Grimm for their summarization of these items.

PUBLIC WORKS DEPARTMENT

Transfer Station Compactor:

Public Works Director Grimm stated the current unit is at its end of life cycle (built in 2003, purchased in 2006), looking at total replacement. Originally predicted at \$250,000, and negotiated price reduction at \$200,000 to lock in pricing. This unit will be custom built for our facility. Finance Director Miller has been able to secure financing. Delivery time is 6 months out.

It was moved by Mr. Roland, seconded by Mr. Kress to forward the authorization of the contract to purchase a trash compactor estimated at \$200,000 to avoid Transfer Station shutdowns and revenue losses to be paid from the 2022 General Fund Budget or General Fund reserves, to the Council agenda for consideration. Motion carried.

Lease of Dump Truck:

It was moved by Mr. Roland, seconded by Mr. Kress to forward the authorization to approve a resolution regarding a budgeted and previously approved, 3-year lease with Bci Capital to be paid from the Regional Wastewater Treatment Fund, for a dump truck at 1.35% annual interest and a total 3-year expenditure of \$166,385, to the Council agenda for consideration. Motion carried.

DEPARTMENT OF PLANNING AND ENGINEERING

Short Term Rentals: Planning and Engineering Director Mains provided an update on proposed Zoning Ordinance revisions for short term rentals; and he has drafted a proposal for a Planning Commission recommendation to Council.

Library Roof:

Planning & Engineering Director Mains asked for approval to proceed with design to get started on library roof repair.

It was moved by Mr. Roland, seconded by Mr. Kress to forward the approval of an extension of the contract with Burchart Horn in the amount of \$59,200, funded under the American Rescue Plan Act (ARPA), for preliminary design & engineering for the Library roof replacement project, to the Council agenda for consideration. Motion carried.

Garage Door Installation at Sand Filter Building at Regional Wastewater Facility:

Finance Director Miller this noted project was into the 2021 budget to add a garage door to existing window bays. Use is for climate controlled equipment storage.

It was moved by Mrs. Funk, seconded by Mr. Lockard to forward the authorization to proceed with the Capital Project for the installation of the garage doors at the Sand Filter Building at the Regional Wastewater Treatment Plant at an estimated cost of \$10,350, to the Council agenda for consideration. Motion carried.

LBS Dam Shed Roof Replacement:

Planning & Engineering Director Mains asked for approval to replace the roof used by Water Dept. at LBS Dam, and to compile a small bid package for this project.

It was moved by Mr. Roland, seconded by Mrs. Funk to forward the authorization to proceed with the Capital Project to replace the shed roof at Lawrence Baker Sheppard Dam at an estimated cost of \$30,000, to the Council agenda for consideration. Motion carried.

PUBLIC SAFETY COMMITTEE

Brake Retarder Restriction: Public Works Director Grimm noted several complaints received from noise from brake retarders. The State allows Boroughs to enforce with certain steps taken to initiate this process, including traffic studies, traffic counts and reports.

Public Works Director Grimm & Chief Martin will work together to initiate necessary steps.

Mr. Hegberg commented that the information submitted by a citizen for a noise reduction in our community with modified exhaust, similar to the Borough of West Chester may be a good idea for Hanover. There was discussion among the Committee of the potential burden of extensive enforcement costs, decibel meters to measure sound volume, etc.

It was moved by Mr. Roland, seconded by Mr. Lockard to forward the approval for the initiation of traffic studies required by PennDOT to prohibit engine brake retarders within the Borough limits, to the Council agenda for consideration.

No Parking Zone: Public Works Director Grimm stated a proposal was submitted from St. Vincent's Church to establish a no parking zone on Third Street. It was submitted with a Risk and Vulnerability Assessment from the PA State Police, recommending same. The Public Safety Committee reviewed the proposal at their meeting and recommended approval.

Mrs. Funk questioned the burden on citizens in the area for residential parking.

Mr. Grimm noted the proposed no parking area would extend from the parsonage toward the intersection of Third St and High St., but parking would continue to be allowed in front of the school, in order to accommodate the families living on the other side of Third Street.

It was moved by Mr. Kress, seconded by Mr. Lockard to move the approval of a legal advertisement for an amendment to the parking ordinance for a No Parking Zone at 212 and 220 Third Street, as requested by St. Vincent DePaul Church, with the cost of signs paid for by St. Vincent's in the amount of \$50.25. Motion carried.

WATER & SEWER DEPARTMENTS

2021 Water Main Replacement Project: Planning & Engineering Director Mains reported that bids were opened on Tuesday August 17th for the project; 2 bids were received and evaluated by Gannett Fleming and Borough Staff:

Wexcon, Inc., Mohrsville, PA:	\$1,892,138.00
EK Services, Inc., New Cumberland, PA:	\$1,665,940.25

It was moved by Mr. Roland, seconded by Mr. Kress to move the approval for the bid award for the 2021 Water Main Replacement Project to EK Services, New Cumberland, PA in the amount of \$1,665,940.25 to the Council agenda for consideration, contingent upon Solicitor's review and approval. Motion carried.

NEW BUSINESS

Mrs. Funk requested that Borough staff look into an audio upgrade for the Council Chambers. Manager Dunford will ask Community Media to assist with this effort.

ADDITIONAL PUBLIC COMMENT - none was presented.

Chairperson Rupp reminded all of the upcoming September Committee and Council meetings:

*Governance & Policy Committee Tues. 9/7 - 6:00 PM

*Water & Sewer Committee Wed. 9/8 - 6:00 PM

*Economic Development Committee Wed. 9/8- 7:00 PM

Finance & Personnel/Workshop Wed. 9/15 - 7:00 PM at Borough building

Council Wed. 9/22 - 7:00 PM

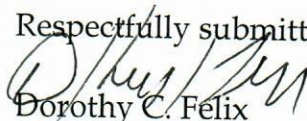
** Meetings will be cancelled if there is no business. Please advise the Borough Secretary if you will be unable to attend any meetings.*

Chairperson Rupp thanked all for their attendance this evening.

ADJOURNMENT

It was moved by Mr. Roland, seconded by Mr. Kress to adjourn the meeting at 9:54 PM. Motion carried.

Respectfully submitted,


Dorothy C. Felix

Borough Secretary